

MINUTES OF THE REGULAR MEETING

OF THE

COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

June 19, 2007

The Commissioners of the Chicago Housing Authority held its Regular Meeting on Tuesday, June 19, 2007, at 8:30 a.m. at the Lincoln Perry Apartments, 3245 South Prairie, Chicago, Illinois.

Chairperson Nesbitt called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Martin Nesbitt
	Earnest Gates
	Dr. Mildred Harris
	Michael Ivers
	Bridget O'Keefe
	Carlos Ponce
	Mary Wiggins

Absent:	Hallie Amey
	Sandra Young

Also present were Sharon Gist Gilliam, Chief Executive Officer, Adrienne Minley, Chief of Staff; Jorge Cazares, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Sharon Gist Gilliam, Chief Executive Officer, then presented her monthly report. Ms. Gilliam commenced her report by reiterating the importance of children having structured and organized activities this summer. Ms. Gilliam then listed the various programs available to CHA residents free of charge or at minimal fees. Ms. Gilliam then highlighted events hosted by the CHA which included Service Fairs at Trumbull, Partner Appreciation Awards and the announcement by Mayor Daley of the opening of the Senior Waiting List.

The Chairperson then convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing portion of the meeting, a Motion was introduced and seconded to adjourn to Executive Session. The Chairperson announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

The Commissioners subsequently reconvened in Open Session and Chairman Nesbitt thereupon introduced the Resolutions discussed in Executive Session and approval of Meeting Minutes. Upon Motion made by Commissioner Harris, properly seconded by Commissioner Gates and carried, Executive Session Minutes for the following Meetings were unanimously approved:

November 21, 2006
December 19, 2006
January 16, 2007
February 20, 2007
March 20, 2007
April 17, 2007
May 15, 2007

Also approved were the following Board Minutes for the Meetings of:

Special Meeting of July 28, 2006
Special Meeting of March 20, 2007
Special Meeting of April 13 and 14, 2007
Regular Meeting of April 17, 2007
Regular Meeting of May 15, 2007

Commissioner Harris then presented an Omnibus Motion to approve resolutions for Executive Session Items 1 and 2.

Executive Session Item 1

RESOLUTION NO. 2007-CHA-69

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 4, 2007, requesting that the Board of Commissioners approves the Personnel Actions Report for May 2007.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the Personnel Actions Report for May 2007.

Executive Session Item 2

RESOLUTION NO. 2007-CHA-70

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007, requesting authorization to enter into a settlement agreement pursuant to which St. Paul Fire & Marine Insurance Company will pay the CHA the amount of \$150,000 in the matter CHA v. Admiral Insurance Co., et al., 04 CH 12868, for the termination of the CHA's rights under the excess insurance policy provided by St. Paul Fire & Marine Insurance Company to the CHA,

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the General Counsel, or his designee, to enter into a settlement agreement pursuant to which St. Paul Fire & Marine Insurance Company will pay the CHA the amount of \$150,000 in exchange for the termination of the CHA's rights under the insurance policy provided by St. Paul Fire & Marine Insurance Company as part of a settlement of the case of CHA v. Admiral Insurance Co., et al., 04 CH 12868, subject to approval by the U.S. Department of Housing and Urban Development.

The Motion to adopt resolutions for Executive Session Items 1 and 2 was seconded by Commissioner Gates and the voting was as follows:

Ayes:	Martin Nesbitt Earnest Gates Dr. Mildred Harris Michael Ivers Bridget O'Keefe Carlos Ponce Mary Wiggins
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Nays:	None
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The Chairperson thereupon declared said Motion carried and said Resolutions adopted.

In the absence of Committee Chair Young, Commissioner Ivers presented her monthly report. Per Commissioner Ivers, the Tenant Services Committee Meeting was held on Wednesday, June 13, 2007 at 1:00 p.m. at the 60 East Van Buren Corporate Offices. Mark Plummer, Director of

Community Development and representatives from the Chicago Park District presented the Committee with a report on summer opportunities for CHA Youths.

Commissioner Ivers then introduced an Omnibus Motion for the adoption of Resolutions for Items A1 thru A3, discussed, voted and recommended for Board approval by the Tenant Services Committee.

(Item A1)

The resolution for Item A1 approves ratification of acceptance of a Grant for the Summer Food Program in the amount of \$3,134,109.05 and ratifies a contract with Open Kitchens, Inc. to provide food services for the Program. The Summer Food Program ensures that CHA youths receive nutritional help needed for proper physical development. For 2007 approximately 12,000 breakfast meals and approximately 16,000 cold/hot lunches per day at approximately 145 sites will be served. In addition, approximately 1,800 snacks per day will be served. The Program will run for 55 days and will begin June 18, 2007 and end September 1, 2007. The CHA submitted an Invitation for bid in area newspapers and also directly solicited fifteen vendors, including one MBE/WBE firm. Only one bid was received from Open Kitchens, Inc., the company that has successfully provided this service for CHA's Program in previous years.

RESOLUTION NO. 2007-CHA-71

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 11, 2007 entitled, "Ratification of acceptance of a Grant from the Illinois State Board of Education and ratification of a contract with Open Kitchens, Inc. for the 2007 Summer Food Services Program."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners ratifies the acceptance of an Illinois State Board of Education Grant for the Summer Food Program ("Program") in the amount of \$3,134,109.05 and ratifies a contract with Open Kitchens, Inc. to provide food services for the Program for the period of June 18, 2007 to September 1, 2007 for a total amount not-to-exceed \$2,847,792.00.

(Item A2)

On January 1, 2001, the CHA entered into a two year sub-grant agreement with the City of Chicago Board of Education to implement the Employability Plus Program. The Program provided by CPS has a high school reentry program that gives eligible residents the opportunity to return to high school in order to receive their diploma. Additionally, there is a GED program for residents who are not able to return to high school. A second component to the program allows residents to participate in job training where they learn skills in trades such as carpentry, masonry, plumbing, electricity and painting. Participants also attend workshops in the following areas: educational public health on HIV/AIDS, drug abuse and public assistance legislation. The Program is essential to the ABLA community, and supports the CHA's Plan for Transformation by linking families with opportunities that will assist their move toward self-sufficiency and integration into mixed-income communities. Since CHA's management is committed to this Program for ABLA residents, the resolution for Item A2 approves exercising the third one year option to extend the contract through June 30, 2008 in the amount not-to-exceed \$82,472.00.

RESOLUTION NO. 2007-CHA-72

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 11, 2007, entitled "Recommendation to exercise the third one year option of the Intergovernmental Agreement with the City of Chicago Board of Education for the Employability Plus Program at ABLA development";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to exercise the third one (1) year option of the intergovernmental agreement with the City of Chicago Board of Education for the Employability Plus program at ABLA ("Contract No. 0675") for the period of July 1, 2007 through June 30, 2008 for an amount not-to-exceed \$82,472.00. The new total not-to-exceed contract amount of Contract No. 0675 will be \$379,322.00.

(Item A3)

The resolution for Item A3 approves the form of tenant selection plan, lease, lease riders, and bylaws to be used for Cabrini-Green Extension North replacement housing units at 825 North Hudson Condominiums. The CHA is purchasing two (2) units at this private development and will operate such units as public housing units. It is understood that the developer has an interest and desire to implement its own lease forms and policy that encourages consistent community standards for the effective management of its development. The property specific requirements for applicants are based on the CHA's Minimum Tenant Selection Plan. A public comment period was held from May 8, 2007 through June 6, 2007. A public comment hearing was held on May 29, 2007 at the 18th District Police Station. Notice for the 30 day public comment period and comment hearing was provided to the public and consideration will be given to any forthcoming comments prior to finalizing the documents.

RESOLUTION 2007-CHA-73

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007, entitled "Authorization for approval of the Tenant Selection Plan, Lease, Lease Riders, and Bylaws for Cabrini-Green Extension North Replacement Housing at the private off-site Development known as 825 North Hudson Condominiums and to amend the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached form of tenant selection plan, lease, lease riders, and bylaws in substantially the form presented to the Board for the Cabrini-Green Extension North replacement housing units at the development known as the 825 North Hudson Condominiums. The Chairperson of the Board or the Chief Executive Officer is hereby authorized to approve final changes in these forms, including, but not limited to, changes based on HUD requirements, or resulting from any applicable notice and comment process. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.

The Omnibus Motion to adopt resolutions for Items A1 through A3 was seconded by Commissioner Harris and the voting was as follows:

Ayes:	Martin Nesbitt
	Earnest Gates
	Dr. Mildred Harris
	Michael Ivers
	Bridget O'Keefe
	Carlos Ponce
	Mary Wiggins

Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Tenant Services Committee report was also accepted in total.

Commissioner Gates, Chairperson of the Operations and Facilities Committee, then presented his monthly report. Per Commissioner Gates, the Operations and Facilities Committee Meeting was held on Wednesday, June 13 , 2007 at 1:30 p.m. at the 60 E. Van Buren Corporate offices.

Commissioner Gates then introduced an Omnibus Motion for the adoption of the Resolutions for Items B1 thru B7 discussed, voted and recommended for Board approval by the Operations and Facilities Committee.

(Item B1)

The resolution for Item B1 approves ratification of contract with Reflection Windows Company for the installation of windows at Loomis Courts. Under separate contract in 2003, G.F.

Structure was hired to perform exterior renovation work which included window replacement at 1314 West 15th Street and 1342 West 15th Street. GFS purchased windows for 1314 and 1342 West 15th Street and installed windows at 1342 only. However, prior to the installation at 1314, CHA developed a separate comprehensive general rehabilitation plan for Loomis Courts with mixed finance funding. A solicitation was issued for the general rehabilitation work and a contract was issued to a General Contractor other than GFS. The Contractor has now reached a point in their general rehabilitation work where the installation of the windows at 1314 West 15th Street must be completed to avoid delays to the Contractor's schedule. Staff attempted to negotiate a contract modification with the Contractor for the window installation, but the Contractor's proposal was excessive at approximately 50% over in-house cost estimate. CCD also considered issuing an Invitation for Bid for the work, but the time involved to complete the IFB process could have resulted in delays to the Contractor's schedule and financial penalties imposed by the City-State financing documents. Therefore, because Reflection Window Company, LLC was the subcontractor to GFS for the installation of the windows at Loomis Courts, and is the vendor with the most knowledge on how to quickly and efficiently install the windows being used, a contract was procured by non-competitive proposal with Reflection. To avoid delaying the work of the Contractor, Reflection has already begun performing the window installations.

RESOLUTION NO. 2007-CHA-74

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007, entitled "Authorization to ratify Contract No. 7041 with Reflection Window Company, LLC for the installation of windows at Loomis Courts (RH-7)";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners ratifies the execution of Contract No. 7041 with Reflection Window Company, LLC in the amount of \$353,000.00 for the installation of windows at the 1314 West 15th Street building located at Loomis Courts (RH-7), a City-State development. This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B2)

The resolution for Item B2 approves modification to contract with FHP Tectonics Corporation for the remainder of the renovation work at Wentworth Gardens. This contract modification provides for the removal of six existing Fulton boilers and their placement in storage. These existing boilers are to be replaced with six new double walled Fulton PDWH1000 domestic water boilers. The new Fulton boilers will be located along side and serve as backup to six main-line boilers that are already provided for in the base bid documents. The removal of other equipment, piping, heat exchangers, etc. is included per the base bid. Installation of related piping, controls, power and venting for direct water heating are also to be provided per the base bid. Separately, three of the new main-line Fulton PWH100 domestic water boilers, included in the base bid and currently on site in Buildings 1, 6 and 10, are to be relocated to Buildings 27, 32 and 37 to expedite on-line domestic hot-water service to these Phase 1 and 2 buildings in advance of buildings in the South sectors.

RESOLUTION NO. 2007-CHA-75

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007 entitled "Authorization to execute Modification No. G-03 to Contract No. 5118 with FHP Tectonics Corporation for additional work related to the General Renovation of Wentworth Gardens (IL2-008)";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to execute Contract Modification No. G-03 to Contract No. 5118 with FHP Tectonics Corporation in the amount of \$236,738.00 for additional work related to the general renovation of Wentworth Gardens (IL2-008) at 3770 South Wentworth. The new total contract amount of Contract No. 5118 is \$36,150,373.00.

This Contract Modification is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B3)

In 2004, HUD conducted an accessibility compliance review of CHA's programs, services and activities, including designated accessible housing units, associated common areas, on-site management offices, housing programs, and non-housing programs and activities. As a result of the infractions found during the review, the CHA entered into a voluntary compliance agreement (VCA) with HUD effective May 1, 2006. The VCA will last the duration of seven years over which time the CHA must progressively certify that 5.3% and 2.1% of its units are accessible for individuals with mobility impairments and individuals with sensory impairments respectively. One of the provisions of the VCA requires that the CHA develop and conduct an Employee Education Training Program (ETP) to train employees involved in admissions, occupancy, operations, planning and development, with respect to the CHA's duties, responsibilities and procedures under Section 504. In March 2007, the CHA issued a Request For Proposal seeking the services of a qualified organization to provide the ETP. Only one vendor, Nan McKay and Associates, submitted a proposal in response to the RFP. Staff reviewed the proposal submitted by Nan McKay and Associates and deemed its contents, including the curricula and training schedule to meet the requirements of the ETP outlined in the VCA for attaining benchmarks and educating appropriate staff. Accordingly, the resolution for Item B3 approves award of contract to Nan McKay and Associates.

RESOLUTION NO. 2007-CHA-76

WHEREAS, the Board of Commissioners has reviewed Board Letter dated June 11, 2007, entitled "Authorization to Enter into a Contract with Nan McKay and Associates for the Provision of Mandatory Employee Education Training";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to enter into a contract with Nan McKay and Associates for the provision of an employee education program in an amount not-to-exceed \$156,000 for a one year term pursuant to 24 CFR 85.36 (d)(4)(i)(D).

Item B4)

The CHA first introduced private management of its public housing in the 1980s with its scattered sites programs as a condition of court receivership. Private Management of public housing was expanded thereafter to a limited number of troubled high-rise family properties in the late 1980's. By 2000, all CHA residential properties had been turned over to private managers. Some of the primary responsibilities of the property management companies are: rent collection, emergency and non-emergency work orders, resident eligibility re-examinations, unit and building systems inspections, property budget/expenditure reporting and assessments, lease enforcement, referral of residents to social services and risk management. H. J. Russell currently manages ABLA Homes, William Green Homes, and 1230 Burling, approximately 1136 units in the aggregate. A review of H. J. Russell's 2006 performance in lease management, financial accountability, risk management and compliance was satisfactory. Accordingly, the resolution for Item B4 approves the ratification of contract with HJ Russell.

RESOLUTION NO. 2007-CHA-77

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007, titled, "Ratification Of The Extension Of The Private Property Management Agreement With H. J. Russell To Manage William Green Homes, ABLA, And 1230 Burling"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to ratify the extension of the private property management agreement with H. J. Russell to manage William Green Homes, ABLA. And 1230 Burling.

Item B5)

The CHA has undergone a tremendous effort to rehabilitate/upgrade buildings in its senior designated housing portfolio. HUD mandates that all public housing authorities maintain a

capital and preventive maintenance plan. A replacement reserve study is an essential aspect of developing a capital and preventive maintenance plan. The replacement reserve study will allow the CHA to forecast equipment life expectancies and to accurately estimate the funds necessary to maintain the properties in their current condition. In March 2007, a Request For Proposal was advertised in area newspapers and six firms were directly solicited. Based on the evaluation of the six proposals received, oral presentations by four vendors, and final negotiations, the evaluation committee recommended award of contract to Professional Service Industries. Accordingly, the resolution for Item B5 approves award of contract to Professional Service Industries to complete a reserve study at senior buildings.

RESOLUTION NO. 2007-CHA-78

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007, titled, "Authorization To Enter Into A Contract With Professional Service Industries To Complete A Reserve Study At Various Senior Designated Buildings".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to enter into a contract with Professional Service Industries to complete a reserve study at various senior designated buildings in an amount not to exceed \$173,000.00.

Item B6)

In July 2006 the CHA advertised a Request For Proposal for Pest Control Services for various CHA senior and family Developments. This type of strategic sourcing initiative allows the CHA to bundle the requirements of the various CHA developments to achieve some economies of scale based on the quantity of services required across developments. In this process CHA managed the procurement aspect and the individual property management companies are expected to contract individually with the selected vendor. The RFP was advertised in area newspapers and the Authority directly solicited fifteen companies including four MBE/WBE/DBE firms. Of the seven proposals received four vendors within the competitive range were notified of their consideration and participation in the next phase of the award process. The second evaluation was based on oral presentations and best and final offers of the vendors in the competitive range. Based on the recommendation of the evaluation committee, Anderson Pest Control was recommended as the most responsive and responsible bidder. Accordingly, the resolution for Item B6 approves award of contract to Anderson Pest Control Services.

RESOLUTION NO. 2007-CHA-79

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated June 11, 2007 entitled "Authorization for the Private Property Management Companies to Enter into Contracts with Anderson Pest Control for Pest Control Services at Various CHA Developments."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the private property management companies to enter into contracts with Anderson Pest Control for pest control services at various CHA developments in an aggregate amount not to exceed \$1,226,218.00, for a two year base contract term with one (1) one-year extension option, subject to the U.S. Department of Housing and Urban Development's (HUD) approval, if required.

Item B7)

The resolution for Item B7 approves ratification of the Noncompetitive Contract between the CHA and Chicago Christian Industrial League (CCIL) for maintenance of vacant lots and Landscaping Services at various CHA Developments. Landscaping services at redeveloped sites and at vacant lots is a substantial, but necessary cost for the CHA. Over the past few years the CHA has received several notices from concerned citizens of various neighborhoods and the City of Chicago regarding the condition of vacant lots. The CHA approached CCIL to manage

and run a landscaping program that will be beneficial to CHA residents since CCIL is an organization renown for assisting Chicago's homeless and disenfranchised populations receive training and assistance to reintegrate into Chicago's workforce. CCIL is unique in its commitment and ability to hire 30 CHA residents and provide them on-the-job training and subsequent permanent employment referrals for landscaping. Several property management companies used CCIL last year for landscaping services, where CCIL trained and hired over 30 CHA residents in landscaping.

RESOLUTION NO. 2007-CHA-80

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated June 11, 2007 entitled "Ratification of the Noncompetitive Contract between the Chicago Housing Authority and Chicago Christian Industrial League for Maintenance of Vacant Lots and Non-competitive Contracts between the Private Property Management Companies and Chicago Christian Industrial League for Landscaping Services at Various CHA Developments";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, pursuant to 24 CFR 85.36(d)(4)(i)(A), the Board of Commissioners ratifies the non-competitive contract between the Chicago Housing Authority and the Chicago Christian Industrial League ("CCIL) for maintenance of various vacant lots in an amount not to exceed \$34,000.00 for a two year contract term and ratifies the non-competitive contracts between the private property management companies (East Lake Management Company, Legum & Norman, Wentworth Gardens RMC, and the Woodlawn Community Development Company) and CCIL for landscaping services at Altgeld Gardens, Bridgeport Homes, Lowden Homes, Trumbull Park Homes and Wentworth Gardens for an aggregate amount not to exceed \$387,000.00, for a two year contract term, subject to U.S. Department of Housing and Urban Development (HUD) approval, if required.

The Omnibus Motion to adopt resolutions for Items B1 thru B7 was seconded by Commissioner Wiggins and the voting was as follows:

Ayes:	Martin Nesbitt
	Earnest Gates
	Dr. Mildred Harris
	Michael Ivers
	Bridget O'Keefe
	Carlos Ponce
	Mary Wiggins

Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Operations and Facilities Committee report was also accepted in total.

Commissioner O'Keefe, Chairperson of the Finance and Audit Committee then presented her monthly report. Per Commissioner O'Keefe the Finance and Audit Committee was held on Wednesday, June 13, 2007 at approximately 2:10 p.m. at the 60 East Van Buren Corporate offices. Staff presented the Committee with the Treasury and Cash Flow Report for the month of May 2007.

Commissioner O'Keefe then introduced an Omnibus Motion for adoption of the Resolutions for Items C1 thru C5 discussed, voted and recommended for Board approval by the Finance and Audit Committee.

(Item C1)

The resolution for Item C1 approves the revised Budget Policies and Procedures manual. The CHA's Office of Budget & Management strives to manage the fiscal resources of the CHA and to enforce CHA's Budget Policies and Procedures in accordance with HUD rules and regulations. Therefore, these budget policies are revised to reflect changes in CHA procedures as it relates to Finance, Human Resources and Procurement due to the implementation of the new

Lawson System. These revisions were minor and include, but are not limited to: modifying the old language to reflect new Lawson procedures for the Office of Budget & Management, Procurement & Contracts and the Human Resources Departments. The OBM Budget Policies & Procedures Manual will become effective June 19, 2007, and will supersede all previous budget policies and procedures, and any other previous representations, statements, either verbal or written, pertaining to CHA's Budget Policies and Procedures.

RESOLUTION NO. 2007-CHA-81

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007 entitled, "Budget Policy & Procedures Manual";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners approves the revised Budget Policies and Procedures manual dated June 19, 2007 that are attached to the resolution, which shall supersede the existing CHA Budget Policy and Procedures Manual dated effective June 18, 2002 and authorizes the Chief Executive Officer or her designee to: 1) implement the revised budget policies effective June 19, 2007; and 2) publish and distribute the CHA Budget Policy and Procedures Manual to staff which contains the revised policy.

(Item C2)

The resolution for Item C2 approves extension of contract with CCMSI for third party administration services (TPA). Responsibilities of the TPA under the Contract include management of CHA's workers compensation, first party property, general, auto, employment practice and public officials' liability claims and management of workers compensation, general and auto liability claims under the Private Management Insurance Program (PMIP). Also required was the establishment of a comprehensive claims and management reporting system ("RMIS") which would provide data and reports that would be used both for internal and external use. During the past three years, CCMSI has provided the CHA with outstanding service and has performed all tasks expected of the TPA. CCMSI has utilized its expertise in investigation and settlement of claims on behalf of the CHA/PMIP. Its RMIS allowed the Risk Management Department to provide data and reports to CHA's external auditor, insurance broker and senior staff. CCMSI is willing to continue providing TPA services to the CHA for the contract extension term, July 1, 2007 through June 30, 2008 under the same rates, terms and conditions as set forth in the Contract, which is less than a 2% increase.

RESOLUTION NO. 2007-CHA-82

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated June 11, 2007, entitled, "Authorization to exercise the Option to extend Contract No. 0671 with Cannon Cochran Management Services, Inc. for Third Party Administration Services";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to execute an amendment extending Contract No. 0671 ("Contract") with Cannon, Cochran Management Services, Inc. for the period of July 1, 2007 through June 30, 2008 to provide third party administrator services for a total amount not-to-exceed \$270,333.00 pursuant to the Contract's second extension option.

(Item C3)

The resolution for Item C3 approves an extension of the Annual Support and Maintenance Services for the Yardi Housing Management System for a term of two years. The System Agreement provided for the perpetual licensing of the Voyager system and related system elements, as well as for ongoing maintenance and support services for the software and system, available on an annually renewable basis. The CHA requires critical Information Technology systems and software to support essential business functions.

RESOLUTION NO. 2007-CHA-83

WHEREAS, the Board of Commissioners has reviewed Board Letter dated June 11, 2007 entitled “Authorization to Extend Annual Support and Maintenance Services for the Yardi Housing Management System for a Term of Two (2) Years”,

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Office or her designee to extend annual support and maintenance services with Yardi Systems for the Yardi Voyager system in the not-to-exceed amount of \$279,326.11 for a term of two years.

(Item C4)

The Resolution for Item C4 amends and restates the CHA’s Tax Deferred 457(b) Retirement Plan and approves award of contract to ICMA-RC and Mesirow Financial. The Plan allows employees to save for retirement while reducing their taxable income. CHA does not utilize or contribute any of its funds for the Plan. Employees’ voluntary contributions completely fund the Plan’s assets from which the Plan’s expenses are paid. In 2006 the amended and restated Plan specifically provided Nationwide to be the Plan’s administrator. In recent years, the CHA has found Nationwide to be non-responsive to CHA’s concerns about the Plan and believes the unattractiveness of the plan has led to poor employee participation. During the review process the CHA obtained information that under current industry standards, most 457(b) plan sponsors maintain ongoing due diligence on plan fees, investments and education to protect the interests of employees through a fiduciary investment advisor as a result of the Pension Protection Act of 2006. Partnering with a fiduciary investment advisor will allow the CHA to conform to industry standards and assist the CHA with its fiduciary responsibilities as a 457(b) plan sponsor and with administration of plan needs. In December 2006, Mesirow directly solicited 457(b) compensation retirement plan proposals from a number of top providers. Of the six proposals received and evaluated, ICMA-RC, was chosen primarily for its overall lower plan expenses, its knowledge of not-for-profit organizations and the fact that it specializes in governmental 457(b) plans. It has an Illinois presence with over 500 plans and it recently acquired one of our sister agencies, CTA, as one of its clients. It has the lowest expense ratio of all investment platforms, offers on-site face-to-face and group education support. Also, it will absorb all fees associated with plan transfer from Nationwide. Although it is not mandatory that the CHA retain a third party fiduciary investment advisor with respect to the Plan, the utilization of a fiduciary investment advisor will assist the CHA with respect to management and oversight of the Plan and will also help protect the interests of the participating employees. Since there is insufficient time to competitively procure the services of fiduciary investment advisor, and based upon Mesirow’s knowledge and experience with 457(b) plans and CHA’s satisfaction and experience with Mesirow’s services to date, CHA has chosen Mesirow to act as the Plan’s fiduciary investment advisor to assist the CHA in all its fiduciary responsibilities for the first year.

RESOLUTION NO. 2007-CHA-84

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Memorandum dated June 11, 2007, entitled “Authorization to amend and restate the Chicago Housing Authority’s Tax Deferred 457(b) Retirement Plan (“PLAN”) and to enter into contracts with ICMA-RC and Mesirow Financial Investment Management, Inc with respect to the Plan”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, it is recommended that the Board of Commissioners authorizes the Chief Executive Officer or her designee to amend and restate the CHA’s 457(b) tax deferred retirement plan (“Plan”) to adopt a new Plan administrator, and enter into a new contract with ICMA-RC as the new Plan administrator for a term of five (5) years and to enter into a contract with Mesirow Financial Investment Management (“Mesirow”) as the Plan’s fiduciary investment advisor for a term of one (1) year.

(Item C5)

The resolution for Item C5 approves amendment to the Annual Contributions Contract C-1014 for Project Nos. IL06P002074 (A), 165, 166, 168, 172 and 238. The purpose of this Amendment is to move funds from four Projects under CHA ACC to Projects under The Habitat ACC. Also the revised Addendum reflects the addition of mixed finance projects, Project IL06P002074(A) and Project IL06P002238 to the CHA ACC C-1014.

RESOLUTION NO. 2007-CHA-85

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 11, 2007 entitled Recommendation to Execute Amendment to the Chicago Housing Authority's Annual Contributions Contract C-1014 for Project Nos. IL06P002074 (A), 165, 166, 168, 172 and 238.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Chicago Housing Authority shall enter into Amendment modifying the terms of the Annual Contributions Contract C-1014 ("CHA ACC") with U.S. Department of Housing and Urban Development ("HUD") to transfer funds under Project Nos. IL06P002165, 166, 168 and 172 to Projects IL06P802203, 237 and 239, under the Annual Contributions Contract C-1150 between HUD and Daniel Levin and the Habitat Company, as Receiver for the CHA, and to add mixed finance projects IL06P002074(A) and 238 to the CHA ACC; and the Chief Executive Officer, or her designee, is hereby authorized and directed to execute such Amendment to the Annual Contributions Contract C-1014 in quintuplicate and the Custodian and Keeper of Records is authorized and directed to attest and impress the official seal of the Chicago Housing Authority on each such counterpart. The aforesaid Amendment shall be substantially in the attached form.

The Motion to adopt resolutions for Items C1 thru C5 was seconded by Commissioner Gates and the voting was as follows:

Ayes: Martin Nesbitt
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Bridget O'Keefe
Carlos Ponce
Mary Wiggins

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolution adopted. The Finance and Audit Committee report was also accepted in total.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned.

s/b: Martin Nesbitt
Chairperson

s/b: Lee Gill, Custodian and
Keeper of Records